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FISCAL IMPACT REPORT

SPONSOR: SEC DATE TYPED: 03/03/01 HB _____
 SHORT TITLE: Graduate Student Tuition Waivers SB 826/SECS/aSEC
 ANALYST: Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 2,000.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Relates to Appropriation in The General Appropriation Act Section 4

SOURCES OF INFORMATION

LFC Files
 New Mexico State University (NMSU)

SUMMARY

Synopsis of SEC Substitute Bill as Amended by SEC

The Senate Education Committee amendment clarifies that funding is for graduate assistant student tuition waivers.

Synopsis of Original Bill

Senate Education Committee Substitute for Senate Bill 826 appropriates \$2,000.0 from the general fund to New Mexico State University to fund graduate tuition waivers in fiscal years 2002 through 2007.

Significant Issues

In FY01, the LFC recommended reducing out-of-state tuition waivers for all post-secondary institutions by 7 percent. The recommendation was a result of work during the interim by the Commission on Higher Education (CHE) and the LFC Education Subcommittee on tuition policy. Commission studies show general fund support for out-of-state tuition waivers exceeded general fund support for student financial aid programs for New Mexico residents. As a result, the 2000 Legislature approved reducing out-of-state tuition waivers for all post-secondary institutions by 3.3 percent.

According to NMSU, graduate tuition waivers are not funded by the institution.

FISCAL IMPLICATIONS

The appropriation of \$2,000.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

CS HB2,Section 4, includes funding for out-of-state graduate assistant tuition waivers at New Mexico State University.

OTHER SUBSTANTIVE ISSUES

This request was not recommended by the Board of Regents at New Mexico State University and the Commission on Higher Education.

CTF/ar